

# Exhibit 2

Adam Victor  
Manhattan Place  
Board Member  
630 1<sup>st</sup> Avenue  
New York, NY 10016

May 31, 2019

Dear Fellow Unit Owner:

The residents of Manhattan Place (MPC) have enjoyed the benefits, including lower common charge increases, no assessments and increased property values over the past 20 years. Among other benefits, MPC residents see lower common charges per square foot than virtually any other luxury condominium in Manhattan and the absence of any assessments for as long as I have been President, over 20 years.

This is despite major infrastructure challenges, which I, as President of the Board of Managers, shepherded the building through, in large measure due to my technical experience and industry contacts.

- For example, in July 2005, MPC experienced a major electrical fire in the Electric Room House Panels that was extinguished by the FDNY. The damage was extensive and threatened to seriously disrupt electrical service to building residents. Using my professional contacts, I was able to have a nationally renowned electrical contractor on-site to make repairs within 24 hours.
- In 2012, Hurricane Sandy's surge from the East River flooded our building with over 10 feet of water, causing significant damage to major infrastructure. MPC was better-prepared than many; the day before the storm, I had my company staff drive from Syracuse with hundreds of sandbags. At largely my expense, my employees stayed at MPC to be on hand in the aftermath of the super-storm to make immediate repairs and temporary restoration of electrical and mechanical service to the building when the flood waters subsided.

In the months following Hurricane Sandy, I worked 80-hour weeks to oversee restoration of the lobby and elevator service at MPC. I was coordinating with insurers, contractors, engineers, and building staff. I paid many expenses out of either my own or my companies' pockets, and I did not insist on full reimbursement from MPC for every expense. I never complained because MPC is my family's home.

- In 2014, MPC was impacted by the illegal "massive dewatering" done across 36<sup>th</sup> Street at the JDS site. This led to not only the collapse of 36<sup>th</sup> Street, but severe damage to our property. I contacted the New York District Attorney and the NYC DEP in March 2015, to confront the JDS on their illegal dewatering activities. I also directed and oversaw a comprehensive itemization

and claims of MPC damages, which amount totals at least \$6.2 million. I arranged, with Board Approval, for the nation's leading Construction litigation law firm to accept MPC as a client and commence a lawsuit against JDS at very nominal fees along with naming JDS sub-contractors as co-defendants to pursue recovery of maximum damages for MPC.

- In February 2018, the building, as required by NYC code, hired an Engineer for the purpose of satisfying NYC's Façade Local Law 11 Inspection requirements. MPC's façade failed that inspection and was deemed unsafe, in part due to the piling and construction activities of JDS since the last NYC Local Law 11 Inspection. The Engineer that performed the First Inspection advised it would likely cost \$4 Million or more for repairs to meet code.

Faced with this Report and the significant cost for repairs, I immediately took control and initiated the process for replacing this Engineer with a more experienced Engineering firm. After an approximately 10-week process of engineering research, we awarded a contract to one of the top New York Engineering firms in the field, RAND Engineers, to take over this critical task.

RAND performed extensive investigative work to determine the scope of MPC's façade problems and assess required repairs. Due to RAND's detailed work, Qualified Contractor bids have now been received and range from \$1.2 million to \$2.8 million and not *\$4 million*. These bids and associated proposal bid information and data are still in the process of being analyzed and leveled.

Likewise, since 2012, I have advocated that MPC pursue these repairs and other improvement projects through a line of credit, rather than immediately assessing Unit Owners. A Line of Credit converting into a 10-year loan spreads out the costs of MPC infrastructure improvements over 10 years, so that the burden of these improvements does not unduly burden **current** Unit Owners but is borne by future Unit Owners as well – who will enjoy the benefits of these long term infrastructure improvements. ***I continue to believe that Assessments are unwise, unfair to current Unit owners and needlessly lower MPC Property Values, especially when a simple viable alternative exists.*** To this end, the Managing Agent and I have been managing the process of obtaining this line of credit for well over a year. The proceeds of the Line of Credit have been proposed (based on conservative cost estimates with contingency) as follows:

- MPC Building **Fire Code Compliance** Documentation for the Fire Department of New York (NYFD)
  - \$350,000
- Building **Electrical Switchgear** and main distribution replacement Project Phase 2 and 3:
  - \$2,350,000
- Building **Façade Local Law 11**, Inspection, Engineering Repair
  - \$2,500,000
- Building **Flood Mitigation Barrier**
  - \$650,000
- MPC **Ceiling/First Floor Garage** limited structural repair
  - \$350,000

- MPC **Steam Heat Exchanger** – Hot Water System Replacement
  - \$300,000
- MPC Lobby and Roof Top (Health Club) **Air Conditioning HVAC** equipment and systems replacement
  - \$300,000
- A Line of Credit which converts to a Loan has the additional benefit of having the Bank or the Bank's engineer review **all** expenditures **before** releasing funding, which helps keep contractor costs in line with their original budget.

Fortunately, the Board has accepted my recommendation to seek a loan for this work and has received a written commitment from TD Bank to provide a 2-year line of credit, which will convert into a 10-year loan. Originally, several Board members wanted to Assess the Unit Owners **\$1 million dollars** for Local Law 11 work. That is about \$2000 per apartment and would not begin to cover the costs associated with the above-named capital projects. Assuming the Board can negotiate the Fixed Price contracts with all of our contractors, have no Change Orders, nor incur any cost over-runs, like I negotiated while I was President, *the total amount for Assessment, if we do not close this loan will be \$12,814 per average apartment.* It is very important for Manhattan Place to finalize this line of credit/loan, in order to perform this necessary work, avoid assessments and keep Manhattan Place competitive in the New York luxury real estate market.

Over the past several weeks several false statements have been made against me. Particularly troublesome are those statements that accuse me of financial impropriety during my time as President of MPC. They are all untrue. Our new Audit is currently being performed by the Independent Third Party outside Auditor and will be completed this month and available for all Unit Owners. Of course, previous thorough and independent audits have also been completed without issue or deficiency.

Additionally, I have been accused of using building funds to defend two lawsuits against me, my companies and MPC, by two people—boyfriend and girlfriend—both falsely claiming to have been “employees” of MPC in 2012-2013. Neither were ever employees of MPC. MPC was named in these lawsuits as an extortionate money grab. Nonetheless, while I was President, I have funded *100% of the costs* of defending these lawsuits. *Our Independent Audits have shown that, while I have been President, MPC has never paid any legal fees for these or any other lawsuits I have been involved in.*

People are entitled to their own opinions about me – but they are not entitled to their own facts. After working so hard for the betterment of Manhattan Place, I truly wish it the best. However, MPC, which is facing upwards of \$12 million of upcoming construction, will need knowledgeable, experienced, technically competent leadership to manage and guide it through to insure continued prosperity. Otherwise, MPC Unit Owners will be facing something they haven't faced in 20 years: dramatically increased Common Charges and Assessments.

Sincerely:

Adam Victor  
Member of the Board of Managers  
Manhattan Place Condominium